III. MADRAS FERTILIZER LIMITED

Date of Incorporation : December, 1966

Registered with BIFR since : 2007

The Company has only one unit at Manali, Chennai which is presently functioning.

Subsidy on raw materials

47. SHRI M.V. MYSURA REDDY: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) the total subsidy that Government is providing on raw materials imported in the manufacture of fertilizers in the last five years, year-wise and product-wise;

(b) the annual subsidy that Government has given to fertilizer units in the last five years, year-wise;

(c) whether it is a fact that more than Rs. 6,000 crore dues have to be paid to various fertilizer units in the country; and

(d) if so, the details thereof, with a particular reference to Andhra Pradesh?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) and (b) Fertilizer subsidy is released to manufacturers/importers on sale of subsidized fertilizers, as the difference between normated delivered cost of fertilizers at farm gate level and the notified selling prices of subsidized fertilizers. The subsidy, therefore, is not directly paid on imported raw materials. However, the cost of imported raw materials are included as part of normated delivered cost of fertilizers at the farm gate level.

The annual fertilizer subsidy released by Government in last five years is as below:

Years	Total subsidy disbursed (Rs. Crores)
2003-04	11835
2004-05	15779
2005-06	18299
2006-07	25952
2007-08	40338

(c) and (d) Since release of fertilizers subsidy is an ongoing process, there are always certain claims of fertilizer manufacturers/importers under process at a given point of time, which are due to be paid. The claims under process and due for payment are companywise and not specific to the state of sale/consumption of fertilizers.